

**BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO**

In the Matter of the Protest of	)	
	)	DOCKET NO. 16259
[REDACTED],	)	
	)	DECISION
Petitioners.	)	
_____	)	

On November 6, 2001, the staff of the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination to [Redacted](taxpayers), proposing income tax, penalty, and interest for the taxable years 1996 through 1999 in the total amount of \$16,569. On January 7, 2002, [Redacted] filed a timely appeal and petition for redetermination through her representative, [Redacted] Attorney at Law, who also provided a Power of Attorney.

The taxpayers did not file Idaho income tax returns for the years 1995 through 1999. Information obtained from the Internal Revenue Service reveals W-2 wages, interest, dividends, and withholding for the years in question. Tax year 1997 revealed itemized deductions in excess of the standard, which were allowed by the auditor in calculating tax due for that year. This information was received pursuant to Internal Revenue Code § 6103(d) and Idaho Code § 63-3077.

The taxpayers have each had an Idaho driver's license during the period under audit, and there are wages attributable to businesses in Idaho.

Neither the taxpayers nor the representative of [Redacted] responded to the Tax Commission's hearing rights letter sent June 26, 2002 or follow-up letters sent to each taxpayer individually at their respective addresses on August 7, 2002 and August 8, 2002.

The Tax Commission, having nothing further to consider, has reviewed the file and hereby issues its decision.

The taxpayers have provided the Tax Commission with no legal or factual information to establish that the amount asserted in the Notice of Deficiency Determination is incorrect. As a result, the Tax Commission has no alternative but to uphold the deficiency notice. (See Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810, 814, 683 P.2d 846, 850 (1984) (A determination of the State Tax Commission is presumed to be correct); and, Parsons v. Idaho State Tax Commission, 110 Idaho 572, 716 P.2d 1344, 574-575 n.2 (Ct. App. 1986) (A State Tax Commission deficiency is presumed to be correct and the burden is on the taxpayer to show that the deficiency is erroneous). Absent information to the contrary, the Tax Commission finds the deficiency prepared by the Bureau to be a reasonably accurate representation of the taxpayers' taxable income for years 1996 through 1999.

The Bureau added interest and penalty to the taxpayers' Idaho tax deficiency. The Tax Commission reviewed those additions, found both to be appropriate per Idaho Code §§ 63-3045 and 63-3046, and updated interest accordingly.

WHEREFORE, the Notice of Deficiency Determination dated November 6, 2001, as MODIFIED, is hereby APPROVED, AFFIRMED and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayers pay the following tax, penalty and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1969	\$2,133	\$ 533	\$ 943	\$ 3,609
1997	815	204	288	1,307
1998	3,348	837	928	5,113
1999	5,003	1,251	1,021	<u>7,275</u>
			TOTAL DUE	<u>\$17,304</u>

Interest is calculated through December 17, 2002, and will continue to accrue at the rate set forth in Idaho Code § 63-3045(6) until paid.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of the taxpayers' right to appeal this decision is included with this decision.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2002.

IDAHO STATE TAX COMMISSION

\_\_\_\_\_  
COMMISSIONER

### **CERTIFICATE OF SERVICE**

I hereby certify that on this \_\_\_\_ day of \_\_\_\_\_, 2002, a copy of the within and foregoing DECISION was served by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[REDACTED]

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